

PRIVATEL

INCORPORATED *FILED FOR RECORD*

July 10, 2007

Ms. Monica Desai
Media Bureau
Federal Communications Commission
445 12th Street SW
Washington, D. C. 20554

Re: FCC 07-32, MB 07-51

Dear Ms. Desai,

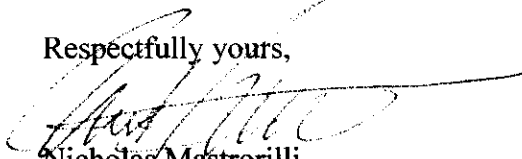
Privatel, Inc. (Privatel, or the Company) is a private telecommunications Service provider. The company provides video, voice and data services both wired and wireless, to colleges, universities, hospitals and assisted Living facilities throughout the east coast. Our service is available to approximately 70,000 administrators, faculty members, students and patients.

I am writing to the Commission to inform them that the private telecommunication industry needs exclusive service agreements to survive. Exclusive agreements are necessary to provide enough time for the service provider to recoup its capital investment and insure a fair rate of return. If exclusive agreements are eliminated it would actually have the reverse result that the Commission desires, it will reduce competition, since the private telecommunication service providers will disappear. Competition is not stifled by exclusive service agreements. They actually promote competition. MDU owners and faculty administrators actively solicit requests for service proposals from numerous service providers when they have decided to obtain telecommunications services. These requests are sent to the franchised cable operator, the regional bell operating companies and the private telecomm service providers. At that point the MDU owners and facility administrators have the leverage and bargaining power to obtain what is in the best interest of the residents. Privatel offers administrators a choice of programming based on the facilities demographics (ala carte), security, and community service channels, along with lower prices.

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Exclusive agreements are not new to the Commission or the marketplace. I believe that long-term spectrum lease agreements are analogous to exclusive service agreements. Just recently, the Commission approved long-term exclusive lease agreements of educational broadcast service (EBS) spectrum in Docket No. 03-66. In both these cases the service provider must have an exclusive agreement to allow enough time to recoup their investment and obtain a fair return on investment. Additionally customers of wireless cellular carriers must sign an exclusive agreement long enough for the carrier to recoup their cost of the cell phone.

Respectfully yours,



Nicholas Mastrorilli,
President and C.E.O.

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